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Department of Real Estate
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Los Angeles, California 90013

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FILED

AUG 17 2011

DEPARTMENT OF REAL ESTATE
BY: _____

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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To: FEDERAL LEGAL SOLUTIONS INC. doing business as Christian and Associates; LIAM PATRICK FERRIS, individually, and as designated officer for Federal Legal Solutions Inc.	No. H-37450 LA ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Commissioner ("Commissioner") of the California Department of Real Estate ("Department") caused an investigation to be made of the activities of FEDERAL LEGAL SOLUTIONS INC. ("FLSI"), doing business as Christian and Associates, and LIAM PATRICK FERRIS ("FERRIS"), individually, and as designated officer for Federal Legal Solutions Inc. Based on that investigation the Commissioner has determined that FLSI and FERRIS have engaged in or are engaging in activities which constitute violations of the California Business and Professions Code ("Code") and/or Title 10, California Code of Regulations ("Regulations"), including engaging in the business, acting in

the capacity of, advertising or assuming to act as a real estate broker in the State of California within the meaning of Code Section 10131(d)(performing services for borrowers in connection with loans secured by real property). Based on the findings of that investigation, set forth below, the Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

FINDINGS OF FACT

1. FLSI is presently licensed and/or has license rights under the Real Estate Law (Part 1 of Division 4 of the Code) as a real estate corporation.

2. FERRIS is presently licensed and/or has license rights under the Real Estate Law as a real estate broker. FERRIS is the designated officer of FLSI.

3. Whenever acts referred to below are attributed to FLSI, those acts are alleged to have been done by FLSI, acting by itself, or by and/or through one or more agents, associates, affiliates, and/or co-conspirators, including, but not limited to FERRIS, and using the name FLSI or any fictitious name unknown at this time.

4. From in or around September, 2009, to in or around March, 2010, FLSI distributed a written solicitation ("Solicitation") for the making or modifying of a loan to several consumer homeowners in California which was false and misleading in that, among other things, they did the following:

a. The Solicitations contained the recipients' lender's name though it did not contain a disclosure in conspicuous and legible type and in close proximity to the lender's name that the advertising was not sponsored by, affiliated with, or authorized by the lender.

b. The Solicitations falsely stated that the sender had an advanced fee agreement approved by the Department after the enactment of Business and Professions Code Section 10085.6, making it illegal to collect an advance fee for loan modifications.

c. The Solicitations implied that a forensic audit would result in a loan modification.

d. The Solicitations contained several misleading statements concerning a claim of savings and security of funds, and omitted key details about the loan terms that were offered in the solicitations.

e. The Solicitations failed to fully disclose real estate licensing information for FLSI and/or FERRIS including but not limited to the actual name of the real estate broker instead of the broker's fictitious business name.

CONCLUSIONS OF LAW

5. Based on the information contained in Paragraphs 4(a)-(e), above, FLSI and FERRIS violated Code Section 10235 in that they knowingly advertised, printed, displayed, published, distributed, or caused or permitted to be advertised, printed, displayed, published, distributed, statements or representations with regard to the rates, terms, or conditions for making,

purchasing, or negotiating loans on real property which were false, misleading, or deceptive.

6. Based on the information contained in Paragraph 4(a), above, FLSI and FERRIS violated Code Section 14701 and Regulation 2848(a)(4) in that they made solicitations for the making or arranging of a loan that included a consumer's loan amount without obtaining the consent of the consumer, and which failed to state that FLSI and FERRIS are not sponsored by or affiliated with the lender and that the solicitation is not authorized by the lender.

7. Based on the information contained in Paragraph 4(e), above, FLSI and FERRIS violated Code Section 10140.6 and Section 2770.1 of the Regulations in that they placed one or more advertisements disseminated primarily in the State of California for the making or arranging of a loan, including a solicitation for borrowers or potential investors, that failed to disclose within the printed text of the advertisement, or the oral text in the case of a radio or television advertisement, the identity of the real estate broker along with the applicable license number and the identity of the Department as the issuer of the license.

DESIST AND REFRAIN ORDER

Based upon the FINDINGS OF FACT and CONCLUSIONS OF LAW stated herein, it is hereby ordered that FEDERAL LEGAL SOLUTIONS INC. and LIAM PATRICK FERRIS whether doing business under the name Christian and Associates or any other names, or any fictitious name, immediately desist and refrain from

disseminating solicitations for the making or arranging or modification of a loan(s) secured by real property until they have complied with all provisions of the Real Estate Law as discussed in this Order.

DATED: August 11, 2011.

BARBARA J. BIGBY
Acting Real Estate Commissioner

By WILLIAM E. MORAN
Assistant Commissioner, Enforcement

cc: FEDERAL LEGAL SOLUTIONS INC.
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